

IV. PERSONAL PROPERTY TAX BILLS

Tax bills are mailed twice a year, the same as real property bills. Millage rates are the same for real and personal taxes.

Summer taxes are due and payable from July 1st through September 15th without penalty. After September 15th a 4% penalty is added to the unpaid balance. The summer tax bill includes annual City, College, and State Education taxes and approximately one-half of the annual School and Intermediate School District taxes.

Winter taxes are due and payable from December 1st through February 14th without penalty. After February 14th a 4% penalty is added to the unpaid balance. The winter tax bill includes the annual County taxes and the remainder of the School and Intermediate School District taxes.

After March 1st a 1% interest fee is added per month on the delinquent unpaid balance.

All personal property taxes are payable at the Midland City Treasurer's Office at 333 W. Ellsworth Street, Midland, Michigan 48640.

V. DELINQUENT PERSONAL PROPERTY TAXES

If you owe delinquent personal property taxes, PAY THEM. The nonpayment of these taxes will result in further legal action against the property owner for collection of taxes.

A. Seizure

The Treasurer is authorized to seize and sell personal property of a business if personal property taxes remain unpaid. Statements serve as formal notice that

the tax is outstanding. A jeopardy assessment for future taxes, based on the Tax Day assessment, can be levied if these are not paid. This jeopardy assessment authorizes the Treasurer to collect taxes before they come due in July and December.

B. Posting of Notice

Once seized, the personal property of the business is tagged, or removed from the property. All property seized will fall under the control of the City Treasurer.

C. Sale of Property

If unpaid personal property taxes remain after six (6) days of seizure, the Treasurer may sell the property in accordance with State Law.

D. Court Action

The City of Midland may sue the person, firm, or corporation to whom the tax is assessed.

As the owner of a business, you can benefit greatly from understanding Personal Property Taxes and how they affect your business. This brochure is designed to provide you with information needed to meet the requirements of the law.

If you have further questions, please contact the Midland City Assessor's Office at 989-837-3337 or the Midland City Treasurer's Office at 989-837-3315.

This booklet was made in cooperation with the Midland City Assessor's Office. Revised 4-28-05

PERSONAL PROPERTY TAXES

A GUIDE FOR BUSINESSES



CITY TREASURER'S OFFICE

333 W. Ellsworth Street
Midland, MI 48640

PERSONAL PROPERTY TAXES

A GUIDE FOR BUSINESSES

I. PURPOSE

The purpose of this brochure is to familiarize business owners with the Personal Property Tax. We will attempt to explain the functions of the City Treasurer and Assessor's Office in the administration of the tax.

II. PERSONAL PROPERTY

Personal Property includes furniture, fixtures, signs, machinery and equipment, etc. Typical items are desks, chairs, computers, cash registers, racks, beds, televisions, tools, leased equipment, etc. If you question whether an item is personal property, contact the Personal Property Auditor in the Assessor's Office.

A. Tax Day

The City Assessor values your personal property as of Tax Day. Change of location after tax day does not alter the assessment. Under Michigan Law Tax Day is December 31st of each year. Property is valued at market or true cash value and assessed at 50% thereof.

B. Statement of Personal Property

The City Assessor mails out personal property statements in December of each year. Under State Law, statements are to be filed with the Assessor declaring all personal property. The statements are utilized by the Assessor in valuing your personal

property. Should you not receive a statement in early January, please contact the Assessor's Office at 989-837-3337.

C. Returning the Form

It is imperative that you return the completed statement in a timely fashion. Statements are due early in February each year. If you do not return this statement, the Assessor is authorized, by law, to estimate the assessment in such an amount that they deem reasonable. Written verification is needed as to the status of your business.

ESTIMATED ASSESSMENTS ARE
VALID AND FINAL.

D. Contesting the Assessment

An assessment may be contested if you believe it is inaccurate. If you disagree with your assessment you may appeal to the March Board of Review and further to the Michigan Tax Tribunal. However, to file with the Tribunal, you must appeal to the local Board of Review in March. Contact the Assessor's Office at 989-837-3337 for further details regarding this process.

E. Jeopardy Assessment

When the City becomes aware of a business closing, selling, transferring or downsizing, or if the previous year's personal property tax is delinquent, the Treasurer has the authority to levy what is called a "Jeopardy Assessment." (See Seizure Under V(a)).

III. OPENING A BUSINESS / MOVING INTO THE CITY

The following are helpful hints for those who are about to embark on:

A. Buying a Business

1. Make sure that the seller has paid the personal property taxes.
2. Be Aware! If you purchase a business, personal property tax bills for the following July and December may be in the name of the old business, but the tax lien on the property remains. Therefore, the property may be seized to pay delinquent personal property taxes even though you may be the new property owner. Make sure you contact the Assessor's Office, and make changes in writing.
3. Call the Treasurer's Office (989-837-3315) to find out what personal property taxes are outstanding.

B. Opening a Business

Please contact the City Assessor's Office (989-837-3337) to notify them that you are in business and/or have personal property within the City and for information concerning personal property.

C. Going Out of Business

Equipment remaining in the City on tax day is subject to assessment and property taxes for the full year.

1. Contact Assessor 989-837-3337
2. Contact Treasurer 989-837-3315
3. Contact City Clerk 989-837-3310

Failure to notify the Assessor when you are going out of business can result in your business remaining on the tax roll in future years.